





# **Hitting Oracle Where it Hurts on Poor Support** Hardware customers vocal about seeking alternatives

January 18, 2011

### Keep an eye out for typos.

Details at the bottom of this newsletter's content.

## Not a Good Guy to Make Upset

A blog posted yesterday on InfoWorld, "Oracle continues to make Sun customers miserable," does a good job of encapsulating some specific failures on the part of an OEM to provide the basic level of courtesy as part of its hardware support to a client who happened to also write Blog posts for IDC/InfoWorld. The article and the comments paint a sharply specific view of the reasons that have prompted customers to seek alternatives and leave Oracle support in droves since the acquisition of Sun last year. In essence, Oracle has come to rely more and more on support fees and maintenance plan revenues to fun other, less profitable business sections, but this has created a dangerous long term scenario: Sun customers still want Sun hardware thanks to the many technical improvements and its better marketing package; but more and more, customers are unwilling to pay steep maintenance fees for service consistently ranked among the least satisfactory in the industry.

Unfortunately for Oracle, and as this blog post illustrates plainly, the new myoracle support system may have had the opposite of its intended effect on customers. The perception now is that Oracle spent a lot of time and effort concerned with irrelevant superficial aspects of their support interface while leaving the fundamental problems with customer support itself completely unaddressed. While it may have been helpful for them to combine all support items into one large ticketing resource, this has little net value for a customer who (hopefully) isn't reporting dozens of product failures at the same time; the consensus is that a better search interface would have probably done as much, if not more, than the flash-based improvements. Better yet would be correcting the SLA failure rate, lack of available parts onsite, and other systemic problems Oracle Sun support has been accused of in this and other articles.

## Having cake, eating it too

The truth of the matter is simple. Oracle Sun makes great hardware products, and there is a reason that many businesses depend on them for hardware, even if they aren't among the top three in terms of sheer quantity sold. Sun has always appealed to a more niche audience and for the most part has done a good job meeting the needs of that market. Their efforts to streamline have alienated a few customers but for the most part their hardware sales have a bright future. But Hardware support is a different matter.

In 2009 Sun reported hardware support revenues of \$852M. A year later, Oracle reported their hardware support revenue figure as \$641M, a drop of very nearly 25%. This despite an increase in new sales and in hardware prices. The mathematical conclusion is that 1 in 4 Oracle customers are seeking support elsewhere.

TERIX Computer Service has been providing an alternative to Sun direct support for more than thirteen years, enabling businesses to enjoy the specialized hardware they desire while also enjoying top notch hardware support with metrics that blow away Sun's numbers (as well as the industry standards). Our average time-to-connect is less than 20 seconds; We meet or exceed SLA over 96% of the time, and staff our all-US-based response centers with L1 - L3 engineers so there's more immediate support and less calling back. We have the correct replacement parts available for same or next-day install 95% of the time. And we never declare any hardware obsolete.

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